



University of Puerto Rico (UPR)

June - FY 2022 Budget to Actual reporting
(FOMB Certified Budget)

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INTRODUCTION

University of Puerto Rico (“UPR”) is a state-supported university system created by the Law No. 1 of January 20, 1966, “Law of the University of Puerto Rico” (“Act No. 1”), as amended. UPR is responsible for serving the people of Puerto Rico to contribute to the development and enjoyment of the fundamental, ethical, and aesthetic values of Puerto Rican culture by providing high-quality education and creating new knowledge through research and exploration of the Arts, Sciences, and Technology. UPR consists of 11 campuses: Medical Sciences, Aguadilla, Arecibo, Bayamón, Carolina, Cayey, Humacao, Mayagüez, Ponce, Río Piedras, and Utuado.

Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) has been compiling financial information from Central Government and selected public corporations of the Commonwealth of Puerto Rico that are component units (“CU”) for financial reporting purposes, as part of AAFAF’s evaluation of actual performance against budget of the Government of Puerto Rico and its public corporations.

This report contains financial information for the month of June and YTD FY22 including budget and actual revenues from operations; intergovernmental transfers – general fund appropriations and other transfers from Central Government and public corporations; disaster relief receipts, federal funds and insurance proceeds.

This report also contains information of budget and actual expenses which include operating expenses – e.g. payroll and related costs, purchased services, professional services, transportation expenses, disaster relief disbursements, and CapEx.

The financial information included in this report may change as a result of the annual year end accounting process.

The FOMB budget was certified by the Federal Oversight Management Board and figures were used as a reference in this report for comparison with actual to evaluate UPR’s performance for the month of June and YTD FY22.

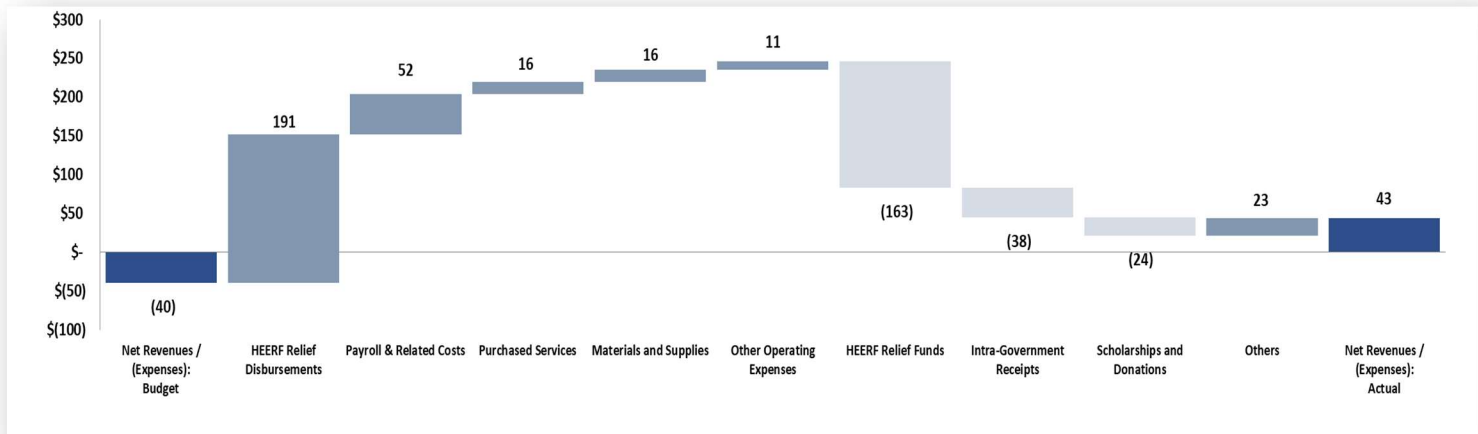
EXECUTIVE SUMMARY

YTD June, UPR ended net operations with a favorable variance of \$83.2M compared to budget. Variances by concept levels were relevant in the following line items:

Favorable variances: Permanent variance in HEERF Relief Required Disbursements (\$191M), permanent variance in Payroll & Related Costs (\$52M), permanent variance in Purchased Services (\$16M), permanent variance in Materials and Supplies (\$16M) and a timing variance in Other Operating Expenses (\$11M).

Unfavorable variances: Variance in HEERF Relief Funds (\$163M) (partially permanent – see note 3), variance in Intra-Government Receipts (\$38M) (partially permanent – see note 2), and a permanent variance in Scholarships and Donations (\$24M).

FY22 YTD June FOMB Certified Budget vs Actual (\$mm)



June and YTD – FY22 FOMB Certified Budget versus Actual Variance Analysis

University of Puerto Rico
Budget to Actuals
For the month of June 2022

(\$000's)	ACTUAL				BUDGET				
	Notes	Jun-22	Jun-22	Variance \$	Variance %	YTD	YTD	Variance \$	Variance %
Central Government Appropriations:									
TSA General Fund Appropriation - Net Measures		33,926	33,926	(0)	0%	407,114	407,114	-	0%
TSA General Fund Appropriation - ARP Funds		-	7,833	(7,833)	-100%	94,000	94,000	(0)	0%
TSA General Fund Appropriation - Joint Resolutions		2,482	2,444	37	2%	29,675	29,333	342	1%
Other Special Appropriations - Training and Seminars	1	-	833	(833)	-100%	-	10,000	(10,000)	-100%
Services to Department of Education	1	-	835	(835)	-100%	-	10,021	(10,021)	-100%
Legislative Scholarships		792	792	0	0%	9,501	9,500	1	0%
Total Central Government Appropriations		37,200	46,664	(9,464)	-20%	540,290	559,968	(19,678)	-4%
Operating Revenues:									
PR Slot Machine Receipts - Law 36		6,654	5,379	1,275	24%	73,166	64,546	8,620	13%
Undergraduate Tuition		2,051	10,598	(8,547)	-81%	143,138	142,213	925	1%
Graduate Tuition		4,770	2,879	1,891	66%	30,630	38,632	(8,002)	-21%
Campus-generated Inflows		10,066	14,450	(4,384)	-30%	170,303	177,801	(7,498)	-4%
Special Funds		335	322	12	4%	3,375	867	2,508	289%
Other Revenues		-	167	(167)	-100%	273	2,000	(1,727)	-86%
Total Operating Revenues		23,876	33,795	(9,919)	-29%	420,885	426,059	(5,173)	-1%
Other Sources of Revenues:									
Intra-Government Receipts	2	18,000	11,317	6,683	59%	133,982	172,248	(38,266)	-22%
FEMA and Insurance Receipts		3,312	-	3,312	0%	7,637	-	7,637	0%
HEERF Relief Funds	3	(14,065)	29,429	(43,494)	-148%	190,046	353,149	(163,104)	-46%
Total Other Sources of Revenues		7,247	40,746	(33,500)	-82%	331,665	525,397	(193,733)	-37%
Total Revenues		68,323	121,206	(52,883)	-44%	1,292,841	1,511,424	(218,584)	-14%
Operating Expenditures:									
Payroll & Related Costs									
Salaries - Faculty		25,976	22,588	(3,388)	-15%	236,824	292,136	55,312	19%
Salaries - Non-Faculty		14,552	13,966	(586)	-4%	172,908	180,629	7,721	4%
Christmas Bonus		1	-	(1)	0%	5,764	6,240	476	8%
Overtime		257	109	(148)	-135%	2,063	1,414	(649)	-46%
Other Compensation		-	-	-	0%	-	-	-	0%
Liquidations		685	421	(264)	-63%	9,505	5,444	(4,061)	-75%
Incentives	4	111	66	(45)	-67%	8,607	857	(7,750)	-905%
Medical Plan		4,006	4,319	313	7%	49,641	55,859	6,218	11%
Social Security Payment		3,223	2,790	(432)	-15%	39,838	36,089	(3,749)	-10%
State Insurance Fund		643	533	(110)	-21%	7,602	6,893	(709)	-10%
Unemployment Insurance		109	15	(94)	-624%	667	195	(472)	-242%
Total Payroll & Related Costs	5	49,562	44,807	(4,755)	-11%	533,419	585,756	52,336	9%
Materials and Supplies									
Purchased Services	6	2,058	3,838	1,780	46%	27,108	42,758	15,649	37%
Scholarships and Donations	7	1,147	1,235	87	7%	21,506	37,183	15,677	42%
Joint Resolutions		-	-	-	0%	-	-	-	0%
Facilities and Payments for Public Services		7,275	4,961	(2,314)	-47%	40,748	33,503	(7,245)	-22%
Professional Services		83	418	335	80%	858	5,016	4,158	83%
Transportation Expenses		742	824	81	10%	3,346	7,014	3,668	52%
Other Operating Expenses	8	12,693	10,225	(2,467)	-24%	80,213	91,319	11,106	12%
Total Operating Expenditures		35,383	26,034	(9,349)	-36%	290,516	309,576	19,059	6%
Other Expenditures:									
Capital Expenditures	9	669	6,602	5,934	90%	12,927	25,867	12,940	50%
Restricted CAPEX - Graduate Tuition Measure		-	419	419	100%	-	5,028	5,028	100%
Equipment		1,129	1,863	735	39%	11,226	11,553	327	3%
Pensions Payment	5, 10	9,357	10,133	777	8%	99,549	121,600	22,051	18%
HEERF Relief Required Disbursements	11	6,597	29,429	22,832	78%	162,001	353,149	191,149	54%
UPR Sustainability Initiative - ARP Funds		-	7,833	7,833	100%	94,000	94,000	0	0%
Total Other Expenditures		17,752	56,281	38,529	68%	379,703	611,197	231,494	38%
Total Expenses Before Debt Service		102,696	127,122	24,426	19%	1,203,639	1,506,529	302,890	20%
Net Revenues / (Expenses) Before Debt Service		(34,374)	(5,916)	(28,457)	481%	89,201	4,896	84,306	1722%
Contract Debt Service		8,670	4,021	(4,649)	-116%	45,793	44,715	(1,078)	-2%
Total Expenses After Debt Service		111,366	131,143	19,776	15%	1,249,432	1,551,243	301,811	19%
Net Revenues / (Expenses)		(43,044)	(9,937)	(33,107)	333%	43,408	(39,819)	83,227	209%

Notes

- Unfavorable timing variance in Trainings & Seminars due to a delay in the recording of these revenues in the accounting system. We expect to reach budget amounts for FY22.
- Unfavorable variance in Intra-Government Receipts, which is partially timing related due to a delay in the recording of these revenues in the accounting system (\$20M aprox.). In addition, there is a permanent variance (\$17M aprox.) since this line was overstated for FY22 budget.
- Unfavorable variance in HEERF Relief Funds, which is partially timing related due to a delay in the recording of these revenues in the accounting system (\$78M aprox.). In addition, there is a permanent variance since actual revenues realized were under budget amounts.
- Incentives includes disbursements of \$8.0M related to the Premium Pay Program under the CARES ACT allocated to the Government of PR.
- Favorable permanent variance in Total Payroll & Related Costs related to the reclassification of \$79.4M from Payroll and Related Costs and \$14.6M in Pensions Payment to the UPR Sustainability Initiative - ARP Funds.
- Favorable permanent variances in Materials and Supplies, and Purchased Services, as these lines were overstated for FY22 budget.
- Unfavorable variance in Scholarships and Donations, which is permanent since this line was understated for FY22 budget.
- Favorable variance in Other Operating Expenses, which is temporary due to a delay in the recording of these expenses in the accounting system.
- Favorable permanent variance in Capital Expenditures since actual expenditures were under budget amounts.
- Pensions Payment includes an advance of \$40M in Employer Contributions to the UPR Retirement System. However, this amount is pending to be recorded in system. Actual YTD amount is \$140.6M as presented in the Liquidity Report.
- Favorable permanent variance in HEERF Relief Required Disbursements, since actual disbursements were under budget amounts, mostly related to loss revenues claims.

4th QTR & YTD – FY22 FOMB Certified Budget versus Actual Variance Analysis

University of Puerto Rico
 PROMESA 203 Report
 For the quarter ended June 30, 2022

(\$000's)	ACTUAL				CERT. BUDGET				
	NOTES	Q4	Q4	Variance \$	Variance %	YTD FY22	YTD FY22	Variance \$	Variance %
Central Government Appropriations:									
TSA General Fund Appropriation - Net Measures		110,515	110,308	208	0%	407,114	407,114	-	0%
TSA General Fund Appropriation - ARP Funds		94,000	23,500	70,500	300%	94,000	94,000	(0)	0%
TSA General Fund Appropriation - Joint Resolutions		7,339	7,333	6	0%	29,675	29,333	342	1%
Other Special Appropriations - Training and Seminars		-	2,500	(2,500)	-100%	-	10,000	(10,000)	-100%
Services to Department of Education		-	2,505	(2,505)	-100%	-	10,021	(10,021)	-100%
Legislative Scholarships		2,375	2,375	0	0%	9,501	9,500	1	0%
Total Central Government Appropriations		214,230	148,521	65,709	44%	540,290	559,968	(19,678)	-4%
Operating Revenues:									
PR Slot Machine Receipts - Law 36		18,854	16,137	2,717	17%	73,166	64,546	8,620	13%
Undergraduate Tuition		4,525	12,905	(8,380)	-65%	143,138	142,213	925	1%
Graduate Tuition		5,367	3,506	1,862	53%	30,630	38,632	(8,002)	-21%
Campus-generated Inflows		33,554	46,628	(13,074)	-28%	170,303	177,801	(7,498)	-4%
Special Funds		541	477	64	13%	3,375	867	2,508	289%
Other Revenues		180	500	(320)	-64%	273	2,000	(1,727)	-86%
Total Operating Revenues		63,021	80,153	(17,131)	-21%	420,885	426,059	(5,173)	-1%
Other Sources of Revenues:									
Intra-Government Receipts		16,943	28,592	(11,649)	-41%	133,982	172,248	(38,266)	-22%
FEMA and Insurance Receipts		3,332	-	3,332	0%	7,637	-	7,637	0%
HEERF Relief Funds		49,816	88,287	(38,472)	-44%	190,046	353,149	(163,104)	-46%
Total Other Sources of Revenues		70,091	116,880	(46,789)	-40%	331,665	525,397	(193,733)	-37%
Total Revenues		347,343	345,553	1,789	1%	1,292,841	1,511,424	(218,584)	-14%
Operating Expenditures:									
Payroll & Related Costs									
Salaries - Faculty		5,793	73,734	(67,941)	-92%	236,824	292,136	55,312	19%
Salaries - Non-Faculty		41,520	45,590	(4,070)	-9%	172,908	180,629	7,721	4%
Christmas Bonus		8	-	8	0%	5,764	6,240	476	8%
Overtime		662	357	305	85%	2,063	1,414	(649)	-46%
Other Compensation		-	-	-	0%	-	-	-	0%
Liquidations		2,028	1,374	654	48%	9,505	5,444	(4,061)	-75%
Incentives		168	216	(48)	-22%	8,607	857	(7,750)	-905%
Medical Plan		12,220	14,098	(1,878)	-13%	49,641	55,859	6,218	11%
Social Security Payment		10,108	9,109	999	11%	39,838	36,089	(3,749)	-10%
State Insurance Fund		1,935	1,740	195	11%	7,602	6,893	(709)	-10%
Unemployment Insurance		190	49	141	286%	667	195	(472)	-242%
Total Payroll & Related Costs		74,633	146,267	(71,634)	-49%	533,419	585,756	52,336	9%
Materials and Supplies		6,901	13,796	(6,895)	-50%	27,108	42,758	15,649	37%
Purchased Services		2,089	2,953	(864)	-29%	21,506	37,183	15,677	42%
Scholarships and Donations		17,880	11,492	6,388	56%	116,737	92,783	(23,954)	-26%
Joint Resolutions		-	-	-	0%	-	-	-	0%
Facilities and Payments for Public Services		12,616	9,050	3,566	39%	40,748	33,503	(7,245)	-22%
Professional Services		394	1,254	(860)	-69%	858	5,016	4,158	83%
Transportation Expenses		1,638	2,397	(759)	-32%	3,346	7,014	3,668	52%
Other Operating Expenses		28,261	29,391	(1,131)	-4%	80,213	91,319	11,106	12%
Total Operating Expenditures		69,779	70,333	(554)	-1%	290,516	309,576	19,059	6%
Other Expenditures:									
Capital Expenditures		3,286	8,214	(4,928)	-60%	12,927	25,867	12,940	50%
Restricted CAPEX - Graduate Tuition Measure		-	1,257	(1,257)	-100%	-	5,028	5,028	100%
Equipment		2,686	3,715	(1,029)	-28%	11,226	11,553	327	3%
Pensions Payment		12,433	30,400	(17,967)	-59%	99,549	121,600	22,051	18%
HEERF Relief Required Disbursements		20,106	88,287	(68,181)	-77%	162,001	353,149	191,149	54%
UPR Sustainability Initiative - ARP Funds		94,000	23,500	70,500	300%	94,000	94,000	0	0%
Total Other Expenditures		132,511	155,373	(22,862)	-15%	379,703	611,197	231,494	38%
Total Expenses Before Debt Service		276,923	371,973	(95,050)	-26%	1,203,639	1,506,529	302,890	20%
Net Revenues / (Expenses) Before Debt Service		70,419	(26,420)	96,840	-367%	89,201	4,896	84,306	1722%
Contract Debt Service									
Total Expenses After Debt Service		293,743	384,036	(90,293)	-24%	1,249,432	1,551,243	301,811	19%
Net Revenues / (Expenses)		53,599	(38,483)	92,082	-239%	43,408	(39,819)	83,227	209%